

China Mobile 1Q Profits Take Hit on iPhone Subsidies

Andrew Berg

China Mobile saw profits drop for a third straight quarter on the impact of iPhone subsidies and the continued expansion of its TD-LTE network.

The world's largest carrier saw first quarter net income fall to approximately \$4 billion, on \$25 billion in total revenue.

China Mobile in December reached a deal with Apple to carry the iPhone. Analysts have predicted a China Mobile deal could help Apple sell an additional 10 to 30 million iPhones per year.

Still, Chinese consumers haven't taken to Apple's iPhone the way Americans have. With a number of Chinese smartphone manufacturers on the rise, including Huawei and Lenovo, Apple holds only a 7 percent share of China's total market, according to IDC.

As Bloomberg pointed out, China Mobile didn't start selling the iPhone until Jan. 17. On January 15, the carrier announced that it had received 1 million preorders for the iPhone.

China Mobile reported 781 million total customers at the end of the first quarter.

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